
OLR Bill Analysis

sSB 318

AN ACT CONCERNING USED AUTOMOBILE WARRANTIES.

SUMMARY:

This bill increases the age and monetary value of used vehicles for which motor vehicle dealers must provide express warranties and makes corresponding value changes for used vehicles that may be sold “as is.”

The bill increases the maximum age of a vehicle eligible for a used vehicle warranty from six to seven years old. By law, the age is calculated from January 1st of the vehicle’s designated model year.

Under current law, the warranty term is determined by the vehicle’s selling price, with more expensive vehicles having a longer warranty period or more mileage coverage. For vehicles costing (1) between \$3,000 and \$5,000, the warranty must last 30 days or 1,500 miles and (2) over \$5,000, the warranty must last 60 days or 3,000 miles. The bill increases these thresholds to (1) between \$5,000 and \$6,500 and (2) over \$6,500, respectively, without changing the warranty period.

By law, the warranty must cover all parts and labor, but not damage due to accidents or misuse. It must provide that the vehicle is mechanically operational and sound for the duration of the warranty period. The consumer may waive a warranty only if the waiver is for a specific defect that the dealer discloses.

Under the bill, a motor vehicle dealer may sell a used vehicle “as is” only if it is less than (1) \$5,000 or (2) eight years old. Under current law, dealers may sell these used vehicles if they are less than (1) \$3,000 or (2) seven years old. By law, “as is” vehicles do not contain any implied warranties and dealers must post certain disclaimers notifying

consumers of their rights.

EFFECTIVE DATE: January 1, 2014

COMMITTEE ACTION

General Law Committee

Joint Favorable Substitute

Yea 17 Nay 1 (03/12/2013)